VZCZCXRO5248 RR RUEHCHI RUEHDT RUEHFK RUEHHM RUEHKSO RUEHNH RUEHPB DE RUEHKO #0631/01 0790923 ZNY CCCCC ZZH R 200923Z MAR 09 FM AMEMBASSY TOKYO TO RUEHC/SECSTATE WASHDC 1671 INFO RUCNASE/ASEAN MEMBER COLLECTIVE RUCNARF/ASEAN REGIONAL FORUM COLLECTIVE RUEHZU/ASIAN PACIFIC ECONOMIC COOPERATION RUEHBJ/AMEMBASSY BEIJING 8370 RUEHUL/AMEMBASSY SEOUL 4395 RUEHWL/AMEMBASSY WELLINGTON 1155 RUEHBY/AMEMBASSY CANBERRA 3097 RUEHKSO/AMCONSUL SAPPORO 3629 RUEHNH/AMCONSUL NAHA 5429 RUEHFK/AMCONSUL FUKUOKA 3089 RUEHOK/AMCONSUL OSAKA KOBE 6881 RUEKJCS/SECDEF WASHDC RUEAIIA/CIA WASHDC RUEKJCS/CJCS WASHINGTON DC RHHJJPI/PACOM IDHS HONOLULU HI RHMFISS/USFJ RHEFDIA/DIA WASHINGTON DC RHEHAAA/NSC WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 000631

SIPDIS

FOR EAP/J

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TAGS: PREL PGOV JA

SUBJECT: READOUT OF MEETING WITH OPPOSITION ACTING

PRESIDENT KAN

REF: TOKYO 458

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Classified By: CDA James P. Zumwalt for reasons 1.4 (b) and (d)

SUMMARY: Opposition Democratic Party of Japan (DPJ) Acting President Naoto Kan discussed a broad range of issues with Embassy Tokyo Political Minister Counselor and Political Section members on March 13. Kan described the Japanese domestic political situation, U.S. troop realignment, and North Korea, including the abductions issue. He expressed optimism about party leader Ichiro Ozawa's chances of surviving the political fund scandal involving Ozawa's chief secretary and the Nishimatsu Construction Company. Kan also claimed that, despite Ozawa's controversial statement about limiting the U.S. military presence in Japan to the 7th Fleet in Yokosuka, the party leader keenly understands the strategic role of the U.S.-Japan alliance based on years of experience negotiating with Washington. On North Korea, Kan stressed the difficulties of trying to solve the denuclearization issue and the longstanding stalemate over North Korean abductions of Japanese citizens. END SUMMARY

Minimal Effects from Ozawa Scandal

¶2. (C) DPJ Vice President Kan analyzed the political fund scandal currently roiling the Diet's largest opposition party, during a March 13 meeting with Embassy Political Minister Counselor Michael Meserve. In response to Meserve's question about the impact of the case, Kan expressed optimism about the prospect of Ozawa's survival. Kan stressed that domestic opinion polls are still showing positive signs for the party. The arrest of Ozawa's chief secretary is shocking, but public expectations toward the DPJ have not changed. Kan claimed that the prosecutor's office still owes the Japanese public an explanation about the timing and "forcible nature" of the criminal investigation and said that

the proceedings must look odd to Japanese voters.

13. (C) Ozawa is still the right man to lead the DPJ, Kan stressed. Known within the party as the "Super Election Strategy Committee Chairman," Ozawa understands best the election situation. After all, Ozawa once belonged to the faction headed by former Prime Minister and master strategist Kakuei Tanaka; as Tanaka's "fair-haired boy," Ozawa is unmatched in terms of knowing how to prepare for an election, Kan said. Kan believed the DPJ would be able to take the most seats in a Lower House election, but he expressed uncertainty about the chances of gaining a simple majority.

Views on U.S.-Japan Alliance

- 14. (C) Ozawa's past experience should help him in matters related to the U.S.-Japan alliance, Kan said. He knows how to negotiate with Washington. Ozawa also understands that the DPJ, once in power, will be able to lead through actual actions, Kan continued. In response to PolMinCoun's question about the extent to which the party would rely on its Manifesto, Kan underscored the importance of reviewing the policy document after taking the reins of government and guessed that there would be changes.
- 15. (C) Meserve stressed the importance of the bilateral alliance as a source of stability and peace in Asia. He noted that maintaining a credible deterrence is key to keeping regional military balance, particularly as China deploys increasingly modernized military forces and North Korea pursues nuclear weapons and missile development

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programs. Meserve explained that the signing of the Guam International Agreement (GIA) during Secretary Clinton's visit is especially significant. Both Japan and the United States agreed to the current Marine Corps Air Station Futenma relocation plan and, although not perfect, it remains the best option.

16. (C) Kan responded by saying that the DPJ understands the existence of threats in the region. Ozawa,s recent statement about limiting the U.S. military presence in Japan to the 7th Fleet in Yokosuka shows the party leader's understanding of the fleet's indispensable security role, Kan asserted. The DPJ would still have to review current realignment plans, including Tokyo's decision to help fund U.S. troop related facility transfers to Guam, Kan continued. He also emphasized the importance of explaining realignment plans more clearly in order to assuage a "distrustful" Japanese public. Embassy Tokyo has reported separately that the Secretary's visit last month and the GIA have impacted the DPJ's approach to the realignment package. Party members have indicated privately that the DPJ does not want the realignment issue to become a source of contention between the U.S. and Japan if the DPJ comes to power (Reftel).

Difficulties on North Korea

17. (C) Kan expressed some frustration on North Korea. He recalled the inability of Japanese Diet members, including security expert and former Defense Minister Shigeru Ishiba, to answer a visiting U.S. Congress member's recent question about what would constitute a "resolution" to the longstanding abduction issue. Kan explained that the issue is so emotional for the Japanese and that one should not compare the matter to the nuclear issue. There is no turning back from Japanese demands for "the release of all abductees," Kan declared. Reflecting on the recent meeting between former North Korean agent Kim Hyon Hui and family members of one of the abduction victims, Kan positively assessed Kim's public comment that Japan might be able to

find a solution by playing to North Korea,s prideful nature. Logic alone cannot solve the issue, Kan concluded.

Linear Motor Trains

18. (C) Kan expressed strong interest in linear-motor train (Maglev) technology. He said that Japanese expertise is not comparable to that of the Germans, but he hoped that such technology would become commercially viable for export to other countries, such as the United States. Kan, who explained he had been a physics major in college and a life-long high-tech enthusiast, touched on the possibility of using linear-motor technology for space shuttle launches. ZUMWALT